United States Senate

WASHINGTON, DC 20510

March 19, 2026

Jensen Huang
President and Chief Executive Officer
NVIDIA Corporation
2788 San Tomas Expressway
Santa Clara, CA 95051

Dear Mr. Huang:

We write to request additional information regarding the terms of NVIDIA's recent deal with Groq, an artificial intelligence (AI) chip startup and NVIDIA competitor, to assess the agreement's implications for competition in the AI chip sector. On December 24, 2025, NVIDIA and Groq announced an agreement under which NVIDIA will pay Groq $20 billion to acquire a non-exclusive license for Groq's inference chip design technology and hire many of Groq's key employees, including its CEO and president.[1] The deal will give NVIDIA "all of Groq's assets,"[2] and appears to be structured to evade scrutiny by antitrust regulators.[3] We are concerned that this takeover could stifle competition, further entrenching NVIDIA's dominance in the AI chip industry and ceding our technological leadership to China.

NVIDIA currently dominates the market for the powerful graphics processing units (GPUs) used for developing and deploying advanced AI models.[4] NVIDIA controls roughly 90% of the market for high-end data center GPUs, with buyers forced to wait for supplies because enterprise demand far exceeds supply.[5] As of the end of Q3 2025, NVIDIA also controlled 92% of the market for personal computer (PC) GPUs used for computationally-intensive tasks such as video games and hosting smaller AI models, with Advanced Micro Devices (AMD) controlling 7% and Intel possessing just 1% market share.[6] And competition in the marketplace has shrunk over

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[1] Groq, "Groq and Nvidia Enter Non-Exclusive Inference Technology Licensing Agreement to Accelerate AI Inference at Global Scale," December 24, 2025, https://groq.com/newsroom/groq-and-nvidia-enter-non-exclusive-inference-technology-licensing-agreement-to-accelerate-ai-inference-at-global-scale; CNBC, "Nvidia buying AI chip startup Groq's assets for about $20 billion in its largest deal on record," David Faber, December 26, 2025, https://www.cnbc.com/2025/12/24/nvidia-buying-ai-chip-startup-groq-for-about-20-billion-biggest-deal.html.

[2] CNBC, "Nvidia buying AI chip startup Groq's assets for about $20 billion in its largest deal on record," David Faber, December 26, 2025, https://www.cnbc.com/2025/12/24/nvidia-buying-ai-chip-startup-groq-for-about-20-billion-biggest-deal.html.

[3] CNBC, "Nvidia-Groq deal is structured to keep 'fiction of competition alive,' analyst says," Ari Levy, December 26, 2025, https://www.cnbc.com/2025/12/26/nvidia-groq-deal-is-structured-to-keep-fiction-of-competition-alive.html.

[4] New York Times, "The Furious Contest to Unseat Nvidia as King of A.I. Chips," Don Clark, December 3, 2024, https://www.nytimes.com/2024/12/03/technology/nvidia-ai-chips.html.

[5] Bloomberg, "Why is Nvidia the King of AI Chips, and Can It Last?," Ian King, November 5, 2025, https://www.bloomberg.com/news/articles/2025-11-05/nvidia-s-hopper-blackwell-ai-chips-are-market-leaders-can-intel-amd-compete.

time. AMD controlled 12% of the PC GPU market at the end of Q1 2024,[7] 8% at the end of Q1 2025,[8] and just 7% as of the most recent quarter.[9] Because GPUs are essential for advanced AI development, NVIDIA effectively controls which companies can compete in AI, and the entire AI industry is held hostage to NVIDIA's product decisions and priorities. This market dominance, combined with the recent explosion of interest and investment in AI, has seen NVIDIA reach a market capitalization of $5 trillion, making it the most valuable company in history.[10]

While NVIDIA's GPUs are widely regarded as the leading general-purpose AI chip and continue to dominate the market for model *training*, the market for the inference chips used to *deploy* AI models is more competitive.[11] Groq, for instance, specializes in designing single-purpose chips customized to handle inference workloads that are more energy-efficient than NVIDIA's general-purpose GPUs, posing an emerging competitive threat to NVIDIA.[12] In February 2024, a Groq venture capital investor reported that the company's customers were "finding that [Groq chips are] meaningfully, meaningfully faster and cheaper than any NVIDIA solution."[13] Groq claims on its website that its chips are up to 10 times more energy-efficient (and therefore cheaper to run) than GPUs for running large language models such as ChatGPT.[14] As AI use continues to grow, efficient and inexpensive inference has become essential for companies deploying AI tools. Indeed, some experts predict that inference chips will account for over half of all AI workloads by 2030.[15]

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[6] Tom's Hardware, "Latest GPU market analysis shows Nvidia losing ground to AMD — and Intel cracks the 1% share milestone for the first time," Mark Tyson, December 2, 2025, https://www.tomshardware.com/pc-components/gpus/latest-gpu-market-analysis-shows-nvidia-losing-ground-to-amd-and-intel-cracks-the-1-percent-share-milestone-for-the-first-time.

[7] Tom's Hardware, "Nvidia's grasp of desktop GPU market balloons to 88% --- and AMD has just 12%, Intel negligible, says JPR," June 6, 2024, https://www.tomshardware.com/pc-components/gpus/nvidias-grasp-of-desktop-gpu-market-balloons-to-88-amd-has-just-12-intel-negligible-says-jpr.

[8] *Id.*; PCGamer, "AMD's PC graphics card market share falls to a worrying 6% according to the latest analyst data putting Nvidia at 94% and probably an all-time high," Jeremy Laird, September 3, 2025, https://www.pcgamer.com/hardware/graphics-cards/amds-pc-graphics-card-market-share-falls-to-a-worrying-6-percent-according-to-the-latest-analyst-data-putting-nvidia-at-94-percent-and-probably-an-all-time-high/.

[9] Tom's Hardware, "Latest GPU market analysis shows Nvidia losing ground to AMD — and Intel cracks the 1% share milestone for the first time," Mark Tyson, December 2, 2025, https://www.tomshardware.com/pc-components/gpus/latest-gpu-market-analysis-shows-nvidia-losing-ground-to-amd-and-intel-cracks-the-1-percent-share-milestone-for-the-first-time.

[10] Reuters, "Nvidia hits $5 trillion valuation as AI boom powers meteoric rise," Niket Nishant and Rashika Singh, October 30, 2025, https://www.reuters.com/business/nvidia-poised-record-5-trillion-market-valuation-2025-10-29/.

[11] The Wall Street Journal, "Nvidia Licenses Groq's AI Technology as Demand for Cutting-Edge Chips Grows," Kate Clark, December 24, 2025, https://www.wsj.com/tech/ai/nvidia-licenses-ai-inference-technology-from-chip-startup-groq-0a405adb.

[12] *Id.*

[13] The New York Times, "Nvidia Strikes a Deal with Groq, an A.I. Chip Start-Up," Ryan Mac and Tripp Mickle, December 24, 2025, https://www.nytimes.com/2025/12/24/business/nvidia-groq-chips-deal.html.

[14] Groq, "What is a Language Processing Unit?," https://groq.com/blog/the-groq-lpu-explained.

[15] McKinsey and Company, "The next big shifts in AI workloads and hyperscaler strategies," Chhavi Arora, Marc Sorel, Pankaj Sachdeva, December 17, 2025, https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/the-next-big-shifts-in-ai-workloads-and-hyperscaler-strategies.

NVIDIA's December 2025 partnership with Groq is "by far NVIDIA's largest purchase ever," and many of Groq's key employees, including its CEO and founder Jonathan Ross and president Sunny Madra, have since joined NVIDIA.[16] In an email to NVIDIA employees, you stated that NVIDIA "plan[s] to integrate Groq's low-latency processors into [NVIDIA's existing enterprise offerings] … to serve an even broader range of AI inference and real-time workloads,"[17] a strategy that enables NVIDIA to "maintain its commanding lead as the needs of the AI market move more toward inferencing."[18] Indeed, at its biannual GPU Technology Conference on March 16, 2026, NVIDIA announced a new inference processor incorporating Groq's chip technology.[19] While Groq nominally continues to operate as an independent company, by licensing its technology and hiring its most important employees, NVIDIA has effectively acquired Groq in all but name.[20]

The NVIDIA-Groq deal is the latest example of the growing trend of "reverse acquihiring,"[21] a strategy deployed by Big Tech that seems designed to evade scrutiny by antitrust regulators.[22] By acquiring all of Groq's assets without formally acquiring the company itself,[23] NVIDIA appears to be seeking to avoid the typical premerger notification and review process and "keep the fiction of competition alive."[24] The Federal Trade Commission (FTC) and Department of Justice (DOJ)

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[16] CNBC, "Nvidia buying AI chip startup Groq's assets for about $20 billion in its largest deal on record," David Faber, December 24, 2025, https://www.cnbc.com/2025/12/24/nvidia-buying-ai-chip-startup-groq-for-about-20-billion-biggest-deal.html; LinkedIn, Jonathan Ross, https://www.linkedin.com/in/ross-jonathan; LinkedIn, Sunny Madra, https://www.linkedin.com/in/sundeepm.

[17] CNBC, "Nvidia buying AI chip startup Groq's assets for about $20 billion in its largest deal on record," David Faber, December 24, 2025, https://www.cnbc.com/2025/12/24/nvidia-buying-ai-chip-startup-groq-for-about-20-billion-biggest-deal.html.

[18] The Wall Street Journal, "Nvidia Is Getting Creative as Options to Use Its Cash Flood Narrow," Dan Gallagher, December 31, 2025, https://www.wsj.com/tech/ai/nvidia-is-getting-creative-as-options-to-use-its-cash-flood-narrow-3cbe73f1.

[19] NVIDIA Technical Blog, "Inside NVIDIA Groq 3 LPX: The Low-Latency Inference Accelerator for the NVIDIA Vera Rubin Platform," Kyle Aubrey and Farshad Ghodsian, March 16, 2026, https://developer.nvidia.com/blog/inside-nvidia-groq-3-lpx-the-low-latency-inference-accelerator-for-the-nvidia-vera-rubin-platform/.

[20] The Motley Fool, "Nvidia's "Aqui-Hire" of Groq Eliminates a Potential Competitor and Marks Its Entrance Into the Non-GPU, AI Inference Chip Space," Beth McKenna, December 28, 2025, https://www.fool.com/investing/2025/12/28/nvidia-groq-deal-acquisition-ai-inference-lpu/.

[21] Bloomberg, "What Happens to AI Startups When Their Founders Jump Ship for Big Tech," Kate Clark and Shirin Gaffary, August 4, 2025, https://www.bloomberg.com/news/articles/2025-08-04/what-happens-to-ai-startups-after-big-tech-lures-away-their-founders.

[22] Letter from Senators Wyden, Warren, and Blumenthal to FTC Chair Lina Khan and DOJ Assistant Attorney General Jonathan Kanter, July 11, 2024, https://www.wyden.senate.gov/imo/media/doc/letter_to_ftc___doj_on_ai_competition.pdf; Letter from Senators Warren, Wyden, and Blumenthal to FTC Chair Andrew Ferguson and DOJ Assistant Attorney General Gail Slater, February 4, 2026, https://www.warren.senate.gov/imo/media/doc/final_-_warren_wyden_blumenthal_letter_to_the_department_of_justice_and_the_federal_trade_commission_on_big_tech_reverse_acqui-hires.pdf.

[23] CNBC, "Nvidia buying AI chip startup Groq's assets for about $20 billion in its largest deal on record," David Faber, December 26, 2025, https://www.cnbc.com/2025/12/24/nvidia-buying-ai-chip-startup-groq-for-about-20-billion-biggest-deal.html.

[24] CNBC, "Nvidia-Groq deal is structured to keep 'fiction of competition alive,' analyst says," Ari Levy, December 26, 2025, https://www.cnbc.com/2025/12/26/nvidia-groq-deal-is-structured-to-keep-fiction-of-competition-alive.html.

can still review reverse acquihires for violations of antitrust law, consistent with federal regulations providing that, "[a]ny transaction(s) or other device(s) entered into or employed for the purpose of avoiding the obligation to comply with [antitrust law] shall be disregarded, and the obligation to comply shall be determined by applying [antitrust law] to the substance of the transaction."[25]

In practice, NVIDIA's acquisition of Groq's assets allows NVIDIA to consolidate and further entrench its market share.[26] Although NVIDIA's license for Groq's technology is non-exclusive, NVIDIA's acquisition of Groq's key employees significantly reduces the value for other companies of licensing this technology as Groq's pace of innovation and ability to stay at the cutting-edge of chip design will decline. Effectively, "all advancements in Groq's tech will now be made under [NVIDIA]."[27]

NVIDIA has a history of engaging in anticompetitive practices which have helped build its market dominance.[28] The Groq agreement was not even NVIDIA's first reverse acquihire in the chip hardware industry in 2025: in September 2025, NVIDIA licensed the technology of the chip interconnect startup Enfabrica, which provides integrated systems to more efficiently connect large quantities of AI chips together.[29] The company has also previously been the subject of antitrust investigations by the DOJ and regulatory bodies in the European Union and the United Kingdom over practices such as bundling its hardware chips with custom software, gatekeeping access to its highest-performing AI accelerator chips, and prioritizing chip access for companies in which it has an equity stake.[30] NVIDIA has leveraged its proprietary CUDA software ecosystem to bundle its hardware and software offerings together, making it difficult for customers to switch to a competing hardware ecosystem and raising the barrier to entry for rivals.[31] In a speech in 2024, you bragged that NVIDIA's "total cost of ownership is so good that even when the competitor's chips are free, it's not cheap enough."[32]

The competitive implications of NVIDIA's agreement with Groq have already begun to reverberate throughout the AI industry. OpenAI was reportedly considering Groq's chips as a

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[25] 16 CFR 801.90.

[26] CNBC, "Nvidia-Groq deal is structured to keep 'fiction of competition alive,' analyst says," Ari Levy, December 26, 2025, https://www.cnbc.com/2025/12/26/nvidia-groq-deal-is-structured-to-keep-fiction-of-competition-alive.html.

[27] The Motley Fool, "Nvidia's "Aqui-Hire" of Groq Eliminates a Potential Competitor and Marks Its Entrance Into the Non-GPU, AI Inference Chip Space," Beth McKenna, December 28, 2025, https://www.fool.com/investing/2025/12/28/nvidia-groq-deal-acquisition-ai-inference-lpu/.

[28] The New York Times, "How Nvidia built a Competitive Moat Around A.I. Chips," Don Clark, August 24, 2023, https://www.nytimes.com/2023/08/21/technology/nvidia-ai-chips-gpu.html.

[29] CNBC, "Nvidia just spent over $900 million to hire Enfabrica CEO, license AI startup's technology," Lora Kolodny, Jordan Novet, and Kif Leswing, September 18, 2025, https://www.cnbc.com/2025/09/18/nvidia-spent-over-900-million-on-enfabrica-ceo-ai-startup-technology.html.

[30] The Guardian, "The US government is right to investigate Nvidia for alleged unfair practices," Max von Thun, September 13, 2024, https://www.theguardian.com/commentisfree/2024/sep/13/nvidia-doj-investigation-ai.

[31] The Wall Street Journal, "Why Every Big Tech Company Has Failed to Dethrone Nvidia as King of AI," Christopher Mims, August 9, 2024, https://www.wsj.com/tech/ai/ai-nvidia-apple-amd-jensen-huang-software-bb581f5a.

[32] New York Times, "The Furious Contest to Unseat Nvidia as King of A.I. Chips," Don Clark, December 3, 2024, https://www.nytimes.com/2024/12/03/technology/nvidia-ai-chips.html.

more efficient alternative to NVIDIA's offerings for certain types of inference tasks, but talks between OpenAI and Groq were "shut down" after NVIDIA's licensing deal was announced.[33] Indeed, OpenAI subsequently agreed to purchase "3 GW of dedicated inference capacity" from NVIDIA.[34] NVIDIA's acquisition of Groq's assets also calls into question the future of Groq's previously announced partnership with the Department of Energy (DOE) to use Groq's low-latency, energy-efficient inference technology to safeguard and strengthen domestic AI capabilities.[35]

At the same time as NVIDIA is expanding its dominance over the U.S. chip market, the People's Republic of China (PRC) is actively promoting competition and interoperability in its AI chip ecosystem through open standards across the AI stack.[36] While China currently cannot produce enough leading-edge AI chips to compete with NVIDIA due to U.S. export controls, over the long-term, the PRC may build more innovative and resilient AI chips due to its embrace of competition. Open, competitive markets are critical to ensure continued U.S. technological leadership.

By further consolidating NVIDIA's control over the AI chip industry, the Groq deal limits consumer choice and innovation, which will ultimately raise prices and threaten domestic firms' ability to compete with China.

To address our specific concerns on these matters, we ask that you provide answers to the following questions with regard to your December 2025 agreement with Groq by no later than April 3, 2026:

1. Please describe the current status of the December 2025 agreement between NVIDIA and Groq.
2. Why did NVIDIA license Groq's technology and hire its key employees, rather than acquiring the company? Was the transaction structured this way to avoid antitrust scrutiny?
3. What are the specific terms of the deal between NVIDIA and Groq, including cost structures?
    a. Please list all Groq assets, including personnel and technologies, that will be acquired or licensed by NVIDIA as part of this agreement.
    b. Which Groq employees or other Groq personnel have already been hired by NVIDIA or will be hired in the future as a result of this agreement?

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[33] Reuters, "Exclusive: OpenAI is unsatisfied with some Nvidia chips and looking for alternatives, sources say," Max A. Cherney, Krystal Hu, and Deepa Seetharaman, February 3, 2026, https://www.reuters.com/business/openai-is-unsatisfied-with-some-nvidia-chips-looking-alternatives-sources-say-2026-02-02/.

[34] OpenAI, "Scaling AI for everyone," February 27, 2026, https://openai.com/index/scaling-ai-for-everyone/; The Wall Street Journal, "Nvidia Plans New Chip to Speed AI Processing, Shake Up Computing Market," Berber Jin, Robbie Whelan, and Kate Clark, February 27, 2026, https://www.wsj.com/tech/ai/nvidia-plans-new-chip-to-speed-ai-processing-shake-up-computing-market-51c9b86e?mod=djem10point.

[35] Groq, "Groq Partners with U.S. Department of Energy to Advance AI Inference and Next-Generation Computing Infrastructure," press release, December 18, 2025, https://groq.com/newsroom/groq-partners-with-us-department-of-energy-to-advance-ai-inference-and-next-generation-computing-infrastructure.

[36] East Asia Forum, "Standards are the new frontier in US-China AI competition," Chi Loong Chin, February 3, 2026, https://eastasiaforum.org/2026/02/03/standards-are-the-new-frontier-in-us-china-ai-competition/.

    c. What percentage of Groq's current workforce has already been or will be hired by NVIDIA?
    d. What roles will these employees assume upon joining NVIDIA?
4. What specific intellectual property rights has NVIDIA licensed from Groq?
    a. Who will own Groq's language processing unit (LPU) intellectual property?
    b. Will LPU design architectures continue to be licensed to third-party companies?

Thank you for your attention to this important matter.

Sincerely,

Elizabeth Warren
United States Senator

Richard Blumenthal
United States Senator